

DEPARTMENT OF EMPLOYMENT RELATIONS

GOVERNOR'S BUDGET RECOMMENDATIONS

Source of Funds	FY03 Adjusted Base	FY04 Recommended	% Change Over FY03	FY05 Recommended	% Change Over FY04
GPR	5,606,300	0	-100.0	0	0.0
PR-O	602,100	0	-100.0	0	0.0
PR-S	962,100	0	-100.0	0	0.0
TOTAL	7,170,500	0	-100.0	0	0.0

FULL-TIME EQUIVALENT POSITION SUMMARY

Source of Funds	FY03 Adjusted Base	FY04 Recommended	FTE Change From FY03	FY05 Recommended	FTE Change From FY04
GPR	71.50	0.00	-71.50	0.00	0.00
PR-O	5.75	0.00	-5.75	0.00	0.00
PR-S	0.75	0.00	-0.75	0.00	0.00
TOTAL	78.00	0.00	-78.00	0.00	0.00

AGENCY DESCRIPTION

The department is headed by a secretary who is appointed by the Governor and confirmed by the Senate. The department consists of four divisions: Merit Recruitment and Selection, Compensation and Labor Relations, Affirmative Action and Administrative Services. The department's functions are to recruit and evaluate skilled staff for all state agencies, to develop and administer a compensation system for all state employees, and to negotiate labor agreements with unions representing state employee bargaining units.

MISSION

The mission of the department is to lead Wisconsin state government's innovative human resource system by recruiting and retaining a talented and diverse work force to ensure the best service to the public.

PROGRAMS, GOALS, OBJECTIVES AND ACTIVITIES

Program 1: Employment Relations

Goal: Use information technology and human resources effectively and efficiently.

Goal: Build a skilled and diverse work force.

Objective/Activity: Employ the Shared Human Resources System or SHRS (now WISCJOBS) to establish baseline data on sequences in state agency personnel recruitments to identify critical events and potential time line reductions as a means to streamline future hiring processes.

Goal: Build a skilled and diverse work force.

Objective/Activity: Enhance state employment recruitment and retention by streamlining the state's job classifications closer to the national average of 1,890.

Goal: Build a skilled and diverse work force.

Goal: Lead work force planning.

Objective/Activity: Use turnover data to focus retention efforts on critical job categories which provide essential services to the public.

Goal: Strengthen partnerships.

Objective/Activity: Limit, to one year, the state's liability for back pay in appeals of discharges.

Goal: Build a skilled and diverse work force.

Goal: Lead work force planning.

Objective/Activity: Increase the number of minorities and women in state job groups in which they are currently underrepresented.

Program 2: Affirmative Action Council

Goal: Build a skilled and diverse work force.

Objective/Activity: Increase the number of minorities and women in state job groups in which they are currently underrepresented.

PERFORMANCE MEASURES

HISTORICAL DATA

Prog. No.	Performance Measure	Actual 2000
1.	Employ SHRS (now WISCJOBS) to establish baseline data on sequences in state agency personnel recruitments to identify critical events and potential time line reductions as a means to streamline future hiring processes.	No baseline data available
1.	Enhance state employment recruitment and retention by streamlining the state's job classifications closer to the national average of 1,890.	2,210
1.	Use turnover data to focus retention efforts on critical job categories which provide essential services to the public. (Modified.)	No baseline data available
1.	Limit, to one year, the state's liability for back pay in appeals of discharges.	No process in place
1., 2.	Increase the number of minorities and women in state job groups in which they are currently underrepresented.	18 job groups underutilized by minorities and women

Note: Based on fiscal year.

2001 AND 2002 GOALS AND ACTUALS

Prog. No.	Performance Measure	Goal 2001	Actual 2001	Goal 2002	Actual 2002
1.	Employ SHRS (now WISCJOBS) to establish baseline data on sequences in state agency personnel recruitments to identify critical events and potential time line reductions as a means to streamline future hiring processes.	Using baseline data from SHRS, identify choke points and employ process reengineering to streamline	Baseline data not established. SHRS unable to produce reports. WISCJOBS being created to replace SHRS	Using baseline data from WISCJOBS, identify choke points and employ process reengineering to streamline	Reports features available by November 2002. Use initial reports from WISCJOBS to establish baselines
1.	Enhance state employment recruitment and retention by streamlining the state's job classifications closer to the national average of 1,890.	2,100	2,090	2,000	1,977
1.	Use turnover data to focus retention efforts on critical job categories which provide essential services to the public.	To be determined	SHRS automated hiring system did not supply data	To be determined	Department staff conducting surveys with agencies to build database
1.	Limit to one year the state's liability for back pay in appeals of discharges.	To be determined	Prioritize backlog of cases	Arbitrate cases over two years old (backlog)	Goal achieved. Cases over two years old arbitrated
1., 2.	Increase the number of minorities and women in state job groups in which they are currently underrepresented.	17 job groups underutilized by minorities and women	16 job groups underutilized by minorities and women	16 job groups underutilized by minorities and women	Data not yet assembled and analyzed

Note: Based on fiscal year.

2003, 2004 AND 2005 GOALS

Prog. No.	Performance Measure	Goal 2003	Goal 2004	Goal 2005
1.	Employ WISCJOBS to establish baseline data on sequences in state agency personnel recruitments to identify critical events and potential time line reductions as a means to streamline future hiring processes.	To be determined by baseline data established in fiscal year 2001-02	To be determined by baseline data established in fiscal year 2001-02	To be determined by baseline data established in fiscal year 2001-02
1.	Enhance state employment recruitment and retention by streamlining the state's job classifications closer to the national average of 1,890.	1,900	1,890	1,890
1.	Use turnover data to focus retention efforts on critical job categories which provide essential services to the public.	Establish baseline data file	Analyze data on turnover rates in critical occupation areas to focus retention	Analyze data on turnover rates in critical occupation areas to focus retention
1.	Limit to one year the state's liability for back pay in appeals of discharges.	Negotiate one year limit for adjudication of arbitrations	Arbitrate backlog generated from delay in budget and negotiations	Ensure prompt adjudication of arbitration limit
1., 2.	Increase the number of minorities and women in state job groups in which they are currently underrepresented.	15 job groups underutilized by minorities and women	14 job groups underutilized by minorities and women	13 job groups underutilized by minorities and women

Note: Based on fiscal year.

DEPARTMENT OF EMPLOYMENT RELATIONS

GOVERNOR'S BUDGET RECOMMENDATIONS

RECOMMENDATIONS

1. Budget Efficiency Measures
2. Budget Reorganization – Eliminate Department and Transfer Functions to DOA
3. Attorney Consolidation Initiative
4. Wisconsin City-County Services Enhanced Services Pilot
5. Labor Management Cooperation
6. Standard Budget Adjustments

**Table 1
Department Budget Summary by Funding Source (in thousands of dollars)**

	ACTUAL FY02	ADJUSTED BASE FY03	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
			FY04	FY05	FY04	FY05
GENERAL PURPOSE REVENUE	\$5,732.7	\$5,606.3	\$5,971.5	\$5,971.5		
State Operations	5,732.7	5,606.3	5,971.5	5,971.5		
PROGRAM REVENUE (2)	1,256.1	1,564.2	1,800.8	1,699.7		
State Operations	1,256.1	1,564.2	1,800.8	1,699.7		
TOTALS-ANNUAL	6,988.8	7,170.5	7,772.3	7,671.2		
State Operations	6,988.8	7,170.5	7,772.3	7,671.2		

(2) Includes Program Revenue-Service and Program Revenue-Other

**Table 2
Department Position Summary by Funding Source (in FTE positions) (4)**

	ADJUSTED BASE FY03	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
		FY04	FY05	FY04	FY05
GENERAL PURPOSE REVENUE	71.50	71.50	71.50		
PROGRAM REVENUE (2)	6.50	6.50	6.50		
TOTALS-ANNUAL	78.00	78.00	78.00		

(2) Includes Program Revenue-Service and Program Revenue-Other

(4) All positions are State Operations unless otherwise specified

**Table 3
Department Budget Summary by Program (in thousands of dollars)**

	ACTUAL FY02	ADJUSTED BASE FY03	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
			FY04	FY05	FY04	FY05
1. Employment relations	\$6,988.8	\$7,170.5	\$7,772.3	\$7,671.2		
TOTALS	6,988.8	7,170.5	7,772.3	7,671.2		

**Table 4
Department Position Summary by Program (in FTE positions) (4)**

	ADJUSTED BASE FY03	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
		FY04	FY05	FY04	FY05
1. Employment relations	78.00	78.00	78.00		
TOTALS	78.00	78.00	78.00		

(4) All positions are State Operations unless otherwise specified

1. Budget Efficiency Measures

Source of Funds	Agency Request				Governor's Recommendation			
	FY04		FY05		FY04		FY05	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	-1,138,200	-18.60	-1,138,200	-18.60
PR-O	0	0.00	0	0.00	-25,500	-0.50	-25,500	-0.50
TOTAL	0	0.00	0	0.00	-1,163,700	-19.10	-1,163,700	-19.10

The Governor recommends reducing expenditure and position authority in the department's state operations appropriations in the amounts shown to create additional operational efficiencies and balance the budget by: (a) eliminating positions including 3.0 FTE GPR executive level positions.

2. Budget Reorganization – Eliminate Department and Transfer Functions to DOA

Source of Funds	Agency Request				Governor's Recommendation			
	FY04		FY05		FY04		FY05	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	-4,828,900	-51.90	-4,828,900	-51.90
PR-O	0	0.00	0	0.00	-806,500	-5.25	-701,500	-5.25
PR-S	0	0.00	0	0.00	-964,700	-0.75	-964,700	-0.75
TOTAL	0	0.00	0	0.00	-6,600,100	-57.90	-6,495,100	-57.90

The Governor recommends eliminating the department and transferring responsibilities, functions, positions and assets to the Department of Administration (see Department of Administration, Item #3). The Governor further recommends modifying the process for selecting the administrator of the Division of Merit Recruitment and Selection to further preserve the integrity of Wisconsin's civil service system.

Two new divisions will be created in the Department of Administration to administer the programs currently administered by the Department of Employment Relations: the Division of Merit Recruitment and Selection and the Division of Compensation and Labor Relations. In addition, the Governor recommends creating a new unclassified position in the Department of Administration to advise the secretary on matters related to affirmative action, equal employment opportunity, diversity and other matters related to state employment relations.

This action also includes the creation of a committee composed of the Supreme Court Chief Justice, the Assembly Speaker, Senate President and two individuals appointed by the Governor, one of which must be from outside of state service, charged with the selection of three candidates to recommend to the Governor for appointment as administrator of the Division of Merit Recruitment and Selection, subject to Senate confirmation. The term of this appointment will remain five years.

3. Attorney Consolidation Initiative

Source of Funds	Agency Request				Governor's Recommendation			
	FY04		FY05		FY04		FY05	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	0	-1.00	0	-1.00
TOTAL	0	0.00	0	0.00	0	-1.00	0	-1.00

The Governor recommends improving the provision of state legal services by consolidating attorneys under the secretary of the Department of Administration. The Department of Administration secretary will determine the assignment of attorneys to individual agencies. The initiative results in the reduction of expenditure and position authority within the department and the transfer of a 1.0 FTE position to the Department of Administration. Funding related to the transferred position will remain in the department's budget to purchase legal services from the Department of Administration. See Department of Administration, Item #10.

4. Wisconsin City-County Services Enhanced Services Pilot

Source of Funds	Agency Request				Governor's Recommendation			
	FY04		FY05		FY04		FY05	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-O	40,000	0.00	60,000	0.00	40,000	0.00	60,000	0.00
TOTAL	40,000	0.00	60,000	0.00	40,000	0.00	60,000	0.00

The Governor recommends funding to create a pilot program to expand human resources services to local government units. The additional resources will be used to pilot various human resources services to local governments by leveraging the department's expertise in training, recruitment and selection. Once operational, the services will be provided on a cost-recovered basis.

5. Labor Management Cooperation

Source of Funds	Agency Request				Governor's Recommendation			
	FY04		FY05		FY04		FY05	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-O	150,000	0.00	25,000	0.00	150,000	0.00	25,000	0.00
TOTAL	150,000	0.00	25,000	0.00	150,000	0.00	25,000	0.00

The Governor recommends funding to expand and enhance the Labor Management Cooperation project. The project is a collaborative effort between the department and state employees' unions initiated in 1991 to refine and increase the use of consensus bargaining techniques.

6. Standard Budget Adjustments

Source of Funds	Agency Request				Governor's Recommendation			
	FY04		FY05		FY04		FY05	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	365,200	0.00	365,200	0.00	360,800	0.00	360,800	0.00
PR-O	43,900	0.00	47,800	0.00	39,900	0.00	39,900	0.00
PR-S	2,700	0.00	2,700	0.00	2,600	0.00	2,600	0.00
TOTAL	411,800	0.00	415,700	0.00	403,300	0.00	403,300	0.00

The Governor recommends adjusting the department's base budget for: (a) turnover reduction (-\$94,800 in each year); (b) removal of noncontinuing elements from the base (-\$94,100 in each year); (c) full funding of continuing position salaries and fringe benefits (\$577,800 in each year); (d) fifth week of vacation as cash (\$8,100 in each year); and (e) full funding of lease and directed moves costs (\$6,300 in each year). These adjustments will fully fund the remaining positions in the department prior to transfer to the Department of Administration.